

Senate Study Bill 1139 - Introduced

SENATE/HOUSE FILE _____
BY (PROPOSED GOVERNOR BILL)

A BILL FOR

1 An Act relating to cultural affairs and economic development
2 by establishing an Iowa next program and fund to assist
3 communities in community enhancement projects, eliminating
4 the vision Iowa program, the community attraction and
5 tourism program and fund, the river enhancement community
6 attraction and tourism program and fund, the great places
7 program and fund, and the Iowa cultural trust, trust fund,
8 and grant account, making an appropriation, and including
9 transition provisions.
10 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. 304.1 Definitions.

2 As used in this chapter, unless the context otherwise
3 requires:

4 1. "*Commission*" means the Iowa next commission created
5 pursuant to section 304.2.

6 2. "*Department*" means the department of cultural affairs
7 created in section 303.1.

8 3. "*Fund*" means the Iowa next fund created in section 304.6.

9 4. "*Program*" means the Iowa next program established in
10 section 304.5.

11 Sec. 2. NEW SECTION. 304.2 Iowa next commission.

12 1. The Iowa next commission is established consisting
13 of eleven members and is located for administrative purposes
14 within the department. The director of the department shall
15 provide office space, staff assistance, and necessary supplies
16 and equipment for the commission. The director shall budget
17 funds to pay the compensation and expenses of the commission.
18 In performing its functions the commission is performing
19 a public function on behalf of the state and is a public
20 instrumentality of the state.

21 2. The membership of the commission is as follows:

22 a. The director of the economic development authority or the
23 director's designee.

24 b. The director of the department of transportation or the
25 director's designee.

26 c. The director of the department of natural resources or
27 the director's designee.

28 d. The director of the department of cultural affairs or the
29 director's designee.

30 e. Seven appointed public members.

31 3. The governor shall appoint the seven public members,
32 subject to sections 69.16 and 69.16A, and subject to
33 confirmation by the senate. All public members of the
34 commission shall have demonstrable experience or expertise in
35 the field of culture, recreation, or economic or community

1 development.

2 4. All members appointed pursuant to subsection 3 shall be
3 residents of different counties.

4 5. The governor shall designate the chairperson and vice
5 chairperson of the commission from the members appointed
6 pursuant to subsection 3. In the case of absence or disability
7 of the chairperson and vice chairperson, the members of the
8 commission shall elect a temporary chairperson by a majority
9 vote of those members who are present and voting.

10 6. The members appointed pursuant to subsection 3 shall be
11 appointed to three-year staggered terms and the terms shall
12 commence and end as provided by section 69.19. If a vacancy
13 occurs, a successor shall be appointed to serve the unexpired
14 terms. A successor shall be appointed in the same manner and
15 subject to the same qualifications as the original appointment
16 to serve the unexpired terms.

17 7. A majority of the total membership of the commission
18 constitutes a quorum.

19 8. The members of the commission are entitled to receive
20 reimbursement for actual expenses incurred while engaged in the
21 performance of official duties. A member of the commission may
22 also be eligible to receive compensation as provided in section
23 7E.6.

24 Sec. 3. NEW SECTION. 304.3 Commission duties.

25 The commission shall do all of the following:

26 1. Organize.

27 2. Establish the Iowa next program.

28 3. Oversee and approve the administration of the Iowa next
29 program by the department.

30 4. Coordinate efforts to increase quality of life for
31 residents of Iowa and to attract persons from outside the state
32 to Iowa.

33 Sec. 4. NEW SECTION. 304.4 Department duties.

34 1. The department, subject to approval by the commission,
35 shall adopt administrative rules pursuant to chapter 17A

1 necessary to administer the Iowa next program. The department
2 shall provide the commission with assistance in implementing
3 administrative functions, marketing the program, providing
4 technical assistance and application assistance to applicants
5 under the program, and negotiating contracts. The department
6 may conduct negotiations on behalf of the commission with
7 applicants regarding terms and conditions applicable to awards
8 under the program.

9 2. The department shall develop and make available to the
10 public a searchable database on an internet site of funding
11 opportunities and state programs to assist with local efforts
12 to enhance the community.

13 3. The department shall employ an Iowa next liaison
14 to provide information on state programs and to assist in
15 collaborative initiatives related to quality of life programs.

16 Sec. 5. NEW SECTION. 304.5 Iowa next program.

17 1. The commission shall establish and the department,
18 subject to direction and approval of the commission, shall
19 administer an Iowa next program to invest in prioritized
20 quality of life projects by coordinating and streamlining
21 public access to state programs that provide resources to
22 assist communities in the planning, development, creation,
23 improvement, and promotion of cultural and recreational
24 amenities, opportunities, and programs that serve residents and
25 visitors and enhance the quality of life in Iowa. Financial
26 assistance provided pursuant to the program may be in the form
27 of grants.

28 2. A city, county, state agency, or public organization
29 in the state may submit an application to the department for
30 financial assistance for a project under the program. For
31 purposes of this subsection, "*public organization*" means
32 a nonprofit economic development organization or other
33 nonprofit organization that sponsors community enhancements and
34 activities.

35 3. The department, with approval of the commission, shall

1 consider the following when reviewing an application submitted
2 pursuant to the program:

3 *a.* The extent to which the project creates a unique sense
4 of place by incorporating, respecting, and increasing resident
5 and visitor engagement with local cultural, natural, or
6 recreational amenities and opportunities.

7 *b.* The extent to which the project represents or encourages
8 a collaborative or comprehensive local or regional strategy to
9 promote livability and revitalization of existing urban and
10 rural communities.

11 *c.* The long-term community and economic impact of the
12 project, including feasibility, plans for sustainability, and
13 job creation or retention.

14 *d.* The total proposed budget for the project, including
15 the amount or percentage of local and private matching moneys
16 leveraged by the project.

17 *e.* The need of the community and demonstrated level of
18 priority for the project and financial assistance for the
19 project.

20 *f.* Any other information required by the department.

21 4. The department shall make recommendations to the
22 commission regarding the applications. The commission shall
23 approve, defer, or deny the applications. If an application
24 is approved, the department, on behalf of the commission, may
25 enter into an agreement with the applicant to provide financial
26 assistance.

27 Sec. 6. NEW SECTION. 304.6 Iowa next fund — appropriation.

28 1. An Iowa next fund is created as a separate fund in the
29 state treasury under the control of the department, consisting
30 of any moneys appropriated by the general assembly, any moneys
31 transferred from other funds as provided by law, and any other
32 moneys available to and obtained or accepted by the department
33 for placement in the fund.

34 2. Moneys in the fund are appropriated to the department for
35 purposes of the Iowa next program established in section 304.5.

1 3. Moneys in the fund are not subject to section 8.33.
2 Notwithstanding section 12C.7, subsection 2, interest or
3 earnings on moneys in the fund shall be credited to the fund.

4 Sec. 7. Section 12.71, subsection 1, Code 2015, is amended
5 to read as follows:

6 1. The treasurer of state may issue bonds upon the request
7 of the vision Iowa board created in section 15F.102, Code 2015,
8 and do all things necessary with respect to the purposes of the
9 vision Iowa fund. The treasurer of state shall have all of
10 the powers which are necessary to issue and secure bonds and
11 carry out the purposes of the fund. The treasurer of state may
12 issue bonds in principal amounts which, in the opinion of the
13 board, are necessary to provide sufficient funds for the vision
14 Iowa fund created in section 12.72, the payment of interest
15 on the bonds, the establishment of reserves to secure the
16 bonds, the costs of issuance of the bonds, other expenditures
17 of the treasurer of state incident to and necessary or
18 convenient to carry out the bond issue for the fund, and all
19 other expenditures of the board necessary or convenient to
20 administer the fund; provided, however, excluding the issuance
21 of refunding bonds, bonds issued pursuant to this section shall
22 not be issued in an aggregate principal amount which exceeds
23 three hundred million dollars. The bonds are investment
24 securities and negotiable instruments within the meaning of and
25 for purposes of the uniform commercial code, chapter 554.

26 Sec. 8. Section 12.72, subsection 1, Code 2015, is amended
27 to read as follows:

28 1. A vision Iowa fund is created and established as a
29 separate and distinct fund in the state treasury. The moneys
30 in the fund are appropriated to the vision Iowa board for
31 purposes of the vision Iowa program established in section
32 15F.302, Code 2015. Moneys in the fund shall not be subject to
33 appropriation for any other purpose by the general assembly,
34 but shall be used only for the purposes of the vision Iowa
35 fund. The treasurer of state shall act as custodian of the

1 fund and disburse moneys contained in the fund as directed
2 by the vision Iowa board, including automatic disbursements
3 of funds received pursuant to the terms of bond indentures
4 and documents and security provisions to trustees. The fund
5 shall be administered by the vision Iowa board which shall
6 make expenditures from the fund consistent with the purposes
7 of the vision Iowa program without further appropriation. An
8 applicant under the vision Iowa program shall not receive more
9 than seventy-five million dollars in financial assistance from
10 the fund.

11 Sec. 9. Section 12.75, subsection 2, Code 2015, is amended
12 to read as follows:

13 2. For purposes of this section, "*applicant*" means a city or
14 county or public organization applying for financial assistance
15 under the vision Iowa program established in section 15F.302,
16 Code 2015.

17 Sec. 10. Section 15.108, subsection 5, paragraph c, Code
18 2015, is amended to read as follows:

19 c. Coordinate and develop with the department of
20 transportation, the department of natural resources, the
21 department of cultural affairs, the ~~vision Iowa board~~ next
22 commission, other state agencies, and local and regional
23 entities public interpretation, marketing, and education
24 programs that encourage Iowans and out-of-state visitors to
25 participate in the recreational and leisure opportunities
26 available in Iowa. The authority shall establish and
27 administer a program that helps connect both Iowa residents and
28 residents of other states to new and existing Iowa experiences
29 as a means to enhance the economic, social, and cultural
30 well-being of the state. The program shall include a broad
31 range of new opportunities, both rural and urban, including
32 main street destinations, green space initiatives, and artistic
33 and cultural attractions.

34 Sec. 11. Section 15H.6, subsection 3, Code 2015, is amended
35 to read as follows:

1 3. The capacity building activities shall be targeted in
2 communities that are already working with existing community
3 improvement programs, including but not limited to ~~the Iowa~~
4 ~~great places program established under section 303.3C,~~ the
5 green streets and main street Iowa programs administered by
6 the economic development authority, and disaster remediation
7 activities by communities located within an area declared to be
8 a disaster area in a declaration issued by the president of the
9 United States or the governor.

10 Sec. 12. Section 292.2, subsection 9, Code 2015, is amended
11 by striking the subsection.

12 Sec. 13. Section 303.1, subsection 2, Code 2015, is amended
13 by adding the following new paragraph:

14 NEW PARAGRAPH. *f.* Coordinate and develop with the economic
15 development authority, department of transportation, the
16 department of natural resources, the Iowa next commission,
17 other state agencies, and local and regional entities
18 programs that encourage Iowans and out-of-state visitors to
19 participate in the cultural, recreational, and quality of life
20 opportunities available in Iowa.

21 Sec. 14. Section 303.1A, subsection 1, paragraph *f*, Code
22 2015, is amended by striking the paragraph.

23 Sec. 15. Section 303.3B, subsection 3, Code 2015, is amended
24 to read as follows:

25 3. The department of cultural affairs shall encourage
26 development projects and activities located in certified
27 cultural and entertainment districts through incentives under
28 cultural grant programs pursuant to section 303.3, ~~chapter~~
29 ~~303A,~~ and any other grant programs.

30 Sec. 16. Section 423.4, subsection 5, paragraph *c*,
31 subparagraph (5), Code 2015, is amended to read as follows:

32 (5) The automobile racetrack facility has not received
33 ~~or shall not receive~~ any grants under the former community
34 attraction and tourism program pursuant to chapter 15F, Code
35 2015, subchapter II, or the former vision Iowa program pursuant

1 to chapter 15F, subchapter III, Code 2015.

2 Sec. 17. Section 423.4, subsection 11, paragraph c,
3 subparagraph (6), Code 2015, is amended to read as follows:

4 (6) The raceway facility has not received ~~or shall not~~
5 ~~receive~~ any grants under the community attraction and tourism
6 program pursuant to chapter 15F, subchapter II, Code 2015, or
7 the vision Iowa program pursuant to chapter 15F, subchapter
8 III, Code 2015.

9 Sec. 18. REPEAL. Chapters 15F and 303A, Code 2015, are
10 repealed.

11 Sec. 19. REPEAL. Sections 12.73, 303.3C, and 303.3D, Code
12 2015, are repealed.

13 Sec. 20. IOWA NEXT TRANSFER. Notwithstanding section
14 8.57F, subsection 1, paragraphs a, b, and c, for the fiscal
15 year beginning July 1, 2015, and ending June 30, 2016, the
16 department of management shall transfer twenty million dollars
17 from the state bond repayment fund created in section 8.57F to
18 the department of cultural affairs for deposit in the Iowa next
19 fund created in section 304.6 for purposes of the Iowa next
20 program established in section 304.5.

21 Sec. 21. IOWA NEXT COMMISSION — TRANSITION PROVISIONS. The
22 initial members of the Iowa next commission established
23 pursuant to this Act shall be appointed by September 1, 2015.

24 Sec. 22. REPEAL OF VISION IOWA PROGRAM — TRANSITION
25 PROVISIONS.

26 1. Any agreement or contract entered into under the vision
27 Iowa program prior to July 1, 2015, shall continue until the
28 expiration of the original agreement or contract as provided
29 by the terms of the agreement or contract, and shall be
30 administered by the department of cultural affairs.

31 2. The treasurer of state shall not issue bonds pursuant
32 to the vision Iowa program as described in section 12.71 after
33 June 30, 2015.

34 Sec. 23. REPEAL OF COMMUNITY ATTRACTION AND TOURISM PROGRAM
35 AND FUND AND THE RIVER ENHANCEMENT COMMUNITY ATTRACTION PROGRAM

1 AND FUND — TRANSITION PROVISIONS.

2 1. Upon repeal of the community attraction and tourism fund
3 created in section 15F.204 and the river enhancement community
4 attraction and tourism fund created in section 15F.205, the
5 vision Iowa board shall transfer any moneys remaining in any
6 account or fund under the control of the vision Iowa board to
7 the Iowa next fund created in section 304.6.

8 2. Unencumbered and unobligated moneys accruing to the
9 community attraction and tourism fund and the river enhancement
10 community attraction and tourism fund on or after July 1, 2015,
11 shall be transferred to the Iowa next fund.

12 3. The community attraction and tourism fund and the
13 river enhancement community attraction and tourism fund shall
14 continue in existence until all encumbrances and obligations
15 have been fulfilled.

16 4. Any agreement or contract entered into prior to July
17 1, 2015, pursuant to the community attraction and tourism
18 program or the river enhancement community attraction and
19 tourism program shall continue until the expiration of the
20 agreement or contract as provided by the terms of the agreement
21 or contract, and shall be administered by the department of
22 cultural affairs.

23 Sec. 24. REPEAL OF GREAT PLACES PROGRAM — TRANSITION
24 PROVISIONS.

25 1. Upon repeal of the great places program fund created
26 in section 303.3D, the department of cultural affairs shall
27 transfer all unencumbered and unobligated moneys accruing to
28 the fund to the Iowa next fund created in section 304.6.

29 2. Unencumbered and unobligated moneys accruing to the
30 great places program fund on or after July 1, 2015, shall be
31 transferred to the Iowa next fund.

32 3. The great places program fund shall continue in existence
33 until all encumbrances and obligations have been fulfilled.

34 4. Any agreement or contract entered into prior to July 1,
35 2015, pursuant to the great places program shall continue until

1 the expiration of the contract or agreement.

2 Sec. 25. REPEAL OF IOWA CULTURAL TRUST FUND AND GRANT
3 ACCOUNT — TRANSITION PROVISIONS.

4 1. Upon repeal of the Iowa cultural trust fund and
5 grant account created in sections 303A.4 and 303A.7, the
6 Iowa cultural trust board of trustees shall transfer all
7 unencumbered and unobligated moneys accruing to the fund and
8 grant account to the Iowa next fund created in section 304.6.

9 2. Unencumbered and unobligated moneys accruing to the Iowa
10 cultural trust fund and grant account on or after July 1, 2015,
11 shall be transferred to the Iowa next fund.

12 3. The Iowa cultural trust fund and grant account shall
13 continue in existence until all encumbrances and obligations
14 have been fulfilled.

15 4. Any agreement or contract entered into prior to July 1,
16 2015, pursuant to the Iowa cultural trust shall continue until
17 the expiration of the contract or agreement.

18 Sec. 26. VISION IOWA BOARD — TRANSITION PROVISIONS. On
19 July 1, 2015, the Iowa next commission shall assume any
20 remaining duties of the vision Iowa board.

21 Sec. 27. INTERAGENCY COOPERATION — TRANSITION
22 PROVISIONS. The department of cultural affairs shall consult
23 with the economic development authority about the vision Iowa
24 program when implementing this Act. The economic development
25 authority shall assist the department of cultural affairs and
26 the Iowa next commission in implementing this Act by providing
27 for an effective transition of powers and duties from the
28 vision Iowa board to the commission and an effective transition
29 from the vision Iowa program, the community attraction and
30 tourism program, and the river enhancement community attraction
31 and tourism program to the Iowa next program.

32 EXPLANATION

33 The inclusion of this explanation does not constitute agreement with
34 the explanation's substance by the members of the general assembly.

35 This bill establishes the Iowa next program, the Iowa next

1 commission, and the Iowa next fund. The bill eliminates the
2 vision Iowa program, the community attraction and tourism
3 program and fund, the river enhancement community attraction
4 and tourism program and fund, the great places program and
5 fund, and the Iowa cultural trust, trust fund, and grant
6 account, makes appropriations, and includes transition
7 provisions.

8 The bill establishes the Iowa next commission (commission),
9 which is located for administrative purposes in the department
10 of cultural affairs (department). The commission has 11
11 members consisting of the directors of the economic development
12 authority, department of transportation, department of natural
13 resources, and department of cultural affairs, and seven
14 appointed public members. The commission has the duties to
15 organize, establish the Iowa next program, oversee and approve
16 the administration of the Iowa next program, and coordinate
17 efforts to increase the quality of life for residents of Iowa
18 and to attract persons from outside the state.

19 The bill provides that the department shall adopt rules,
20 subject to the approval of the commission, to administer
21 the Iowa next program. The department shall also provide
22 assistance in implementing administrative functions, marketing
23 the program, providing technical and application assistance to
24 applicants, and negotiating contracts. The bill allows the
25 department to conduct negotiations on behalf of the commission
26 regarding the terms applicable to awards under the program.
27 The bill requires the department to develop and make available
28 a public, searchable database on an internet site of funding
29 opportunities to assist with local efforts. The bill also
30 requires the department to employ a liaison for the Iowa next
31 program to provide information on state programs and to assist
32 in collaborative initiatives relating to quality of life
33 programs.

34 The bill requires the Iowa next commission to establish
35 and the department to administer the Iowa next program. The

1 purpose of the Iowa next program is to invest in prioritized
2 quality of life projects. The bill allows a city, county,
3 state agency, or public organization to apply to the department
4 for financial assistance for a project. The department reviews
5 the applications looking at criteria established in the bill
6 and makes recommendations to the commission regarding the
7 applications. The commission must approve, defer, or deny the
8 applications. If approved, the department, on behalf of the
9 commission, may enter into an agreement with the applicant.

10 The bill establishes the Iowa next fund. The moneys in the
11 fund are appropriated to the department for purposes of the
12 Iowa next program. The fund consists of moneys appropriated,
13 moneys transferred, or any other moneys available to and
14 obtained by the department for placement in the fund.

15 For FY 2015-2016, the bill transfers \$20 million from the
16 state bond repayment fund to the Iowa next fund for purposes of
17 the Iowa next program.

18 The bill repeals the vision Iowa program, the vision Iowa
19 board, the community attraction and tourism program and fund,
20 the river enhancement community attraction and tourism program
21 and fund, the great places program and fund, and the Iowa
22 cultural trust fund and grant account, and makes conforming
23 changes. The current and future unobligated and unencumbered
24 moneys from the community attraction and tourism fund, the
25 river enhancement community attraction and tourism fund, the
26 great places fund, and the Iowa cultural trust fund and grant
27 account are transferred to the Iowa next fund. The bill
28 requires the vision Iowa board to transfer any moneys remaining
29 in any account or fund under its control to the Iowa next fund.

30 The bill requires the department to consult with the
31 economic development authority when implementing the bill. The
32 bill requires the economic development authority to assist the
33 Iowa next commission in implementing the bill and providing for
34 an effective transition from the vision Iowa program to the
35 Iowa next program.

S.F. _____ H.F. _____

- 1 The bill contains additional transitional provisions.
- 2 The bill requires the governor to appoint the Iowa next
- 3 commission by September 1, 2015.